



General Assembly

Amendment

January Session, 2019

LCO No. 8999



Offered by:

SEN. BERGSTEIN, 36th Dist.

SEN. MARONEY, 14th Dist.

SEN. HASKELL, 26th Dist.

To: Senate Bill No. 72

File No. 256

Cal. No. 139

(As Amended)

***"AN ACT ESTABLISHING A TAX CREDIT FOR EMPLOYERS THAT
MAKE PAYMENTS ON LOANS ISSUED TO CERTAIN EMPLOYEES
BY THE CONNECTICUT HIGHER EDUCATION SUPPLEMENTAL
LOAN AUTHORITY."***

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective January 1, 2022, and applicable to income*
4 *years commencing on or after January 1, 2022*) (a) As used in this section:

5 (1) "Authority" means the Connecticut Higher Education
6 Supplemental Loan Authority;

7 (2) "Eligible education loan" means a loan issued by the authority to
8 an individual to refinance one or more student loans;

9 (3) "Full-time" means required to work at least thirty-five hours per
10 week;

11 (4) "Qualified employee" means an individual who (A) is a resident
12 of the state, (B) has earned his or her first bachelor's degree from an
13 institution of higher education in the immediately preceding five-year
14 period, (C) is employed full-time in the state by a qualified employer,
15 (D) is not an owner, member or partner of such qualified employer or a
16 family member of an owner, member or partner of such qualified
17 employer, and (E) has received an eligible education loan;

18 (5) "Qualified employer" means a corporation licensed to operate a
19 business in the state that is subject to tax under chapter 207 or 208 of
20 the general statutes; and

21 (6) "Student loan" means any loan in repayment that was issued by
22 (A) the authority, or (B) any other private or governmental lender to
23 finance attendance at an institution of higher education.

24 (b) (1) For income years commencing on and after January 1, 2022,
25 each qualified employer that employs a qualified employee and makes
26 a payment directly to the authority on an eligible education loan on
27 behalf of such qualified employee may claim a credit against the tax
28 imposed under chapter 207 or 208 of the general statutes. Such credit
29 shall be granted in an amount equal to fifty per cent of the amount of
30 payments made to the outstanding principal balance of such loans by
31 the qualified employer during the income year, provided (A) the credit
32 shall not be allowed against the tax imposed under chapters 207 and
33 208 of the general statutes for the same loan payment, and (B) the
34 amount of credit allowed for any income year with respect to a specific
35 qualified employee shall not exceed two thousand six hundred twenty-
36 five dollars.

37 (2) A qualified employer may claim the credit under subdivision (1)
38 of this subsection for a payment made during the part of the income
39 year the qualified employee worked and resided in the state, provided
40 a qualified employee who worked and resided in the state for any part

41 of a month shall be deemed to have worked and resided in the state for
42 the entire month for purposes of this section.

43 (c) A qualified employer that claims the credit under subsection (b)
44 of this section shall provide any documentation required by the
45 Commissioner of Revenue Services in a form and manner prescribed
46 by the commissioner."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2022, and applicable to income years commencing on or after January 1, 2022</i>	New section